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SAGARPA to Provide USD 50 Million for Abattoirs and Processors

Report Categories:

Livestock and Products
Poultry and Products
Agriculture in the Economy
Agriculture in the News
Trade Policy Monitoring
Policy and Program Announcements

National Plan

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Report Highlights:

The Government of Mexico is investing U.S. \$50 million in its federally inspected type (TIF) meat and poultry establishments. Many of these establishments manage not only Mexican-origin products, but also products imported from the United States for further processing. Aside from providing product to Mexican consumers, some of these TIF establishments re-export products to the United States and third country markets.

General Information:

The Secretariat of Agriculture, Livestock, Rural Development, Fishery and Food (SAGARPA) currently has listed 406 total TIF establishments throughout the country. Many of the TIF establishments are responsible for importing and processing or handling United States-origin products, as well as Mexicanorigin products.

Only TIF establishments are eligible to export meat and poultry and their byproducts to the United States as these are recognized by Mexico's central competent authority and that of the United States as being equivalent. Presently, SAGARPA has requested that the United States list 56 of these TIF establishments as eligible to export red meats and related byproducts as well as 13 TIF establishments be eligible to export poultry and related by products to the United Sates. All 13 of the poultry establishments also manage red meats. As such, 56 of the 406 total TIF establishments are currently eligible to ship products to the United States as can be seen from the Eligible Foreign Establishments webpage.

The following is an unofficial translation of a (SAGARPA) <u>Press Release</u> issued Thursday, January 30, 2014, regarding 650 million pesos (~U.S. \$50 million) in planned support for Mexican TIF abattoirs, processing establishments, and cold storage facilities that are federally inspected.

BEGIN SAGARPA SUMMARY

- The Director in Chief of The National Service of Health, Food Safety, and Food Quality (SENASICA), Enrique Sanchez Cruz, announced that 450 million pesos will be used to incentivize the slaughter of cattle, goats, sheep and pigs in TIF facilities. (FAS MEXICO COMMENT: No mention of support for avian or poultry TIF establishments in the official press release. END COMMENT).
- During the national assembly of the National Association of TIF Establishments (ANETIF), the official abounded that 200 million dollars will be used to enhance and improve Mexico's TIF infrastructure, as well.
- The TIF system offers Mexican families healthy and hygienic food that meets international quality standards.

BEGIN SAGARPA PRESS RELEASE

SAGARPA will invest 650 million to strengthen TIF services and infrastructure reported SENASICA Director in Chief Enrique Sanchez Cruz.

In the ANETIF meeting, the federal official said that of the total resources, 450 million will be channeled to support sub-programs for bovine, porcine, caprine, and ovine slaughter. (FAS MEXICO COMMENT: Again, avian or poultry species were not mentioned and no additional information is available at the time of this report. If information becomes available, FAS Mexico will provide information in its upcoming poultry semi-annual report. END COMMENT).

The rest of the investment, 200 million pesos will be used to enhance and improve the TIF infrastructure.

He stressed that the objective is to support the expansion of the fixed capacity for TIF processing so as to provide wholesome and safe products to consumers.

He said that 32 new establishments were currently in the approval process of receiving the TIF certification seal.

Sanchez Cruz said that under the TIF system, the country has 406 active establishments; mainly in the states of Nuevo Leon, Puebla, Mexico, and Quintana Roo.

He said that in the last decade the TIF seal has enjoyed steady growth and currently 51 percent of Mexican meat has this certification whereas 32 percent of meat had the TIF seal in 2004.

The TIF seal provides Mexican consumers with assurances of high quality meat products that meet international level hygiene standards and ensure that the meat at their table is safe and healthy.

Meanwhile, ANETIF spokesman, Mario Gorena Mireles, mentioned that ANETIF, SAGARPA, and the Mexican association of retail establishments (ANTAD) have maintained a strategic alliance since 2009 designed to inform the public that products marked with a TIF seal are hygienic and healthy. Use of the TIF seal is managed under strict regulatory and health compliance practices.

In order to increase the Mexican population's awareness of the TIF seal, information and marketing campaigns have carried out through mass media; including, television, supermarket flyers, and specialized advertisements on buses and in magazines.

With these actions, Gorena said, ANETIF seeks to increase consumption of TIF sealed meat products by at least five percent in ANTAD affiliated stores in 2014.

The TIF system also allows domestic producers of meat and meat products access to different markets; including, Japan, the United States, South Korea, the European Union, Canada and South Africa, among others.

In this same period, SENASICA has worked on the opening of new international markets, which resulted in the authorization for exporting bovine, porcine, equine, and poultry meat and offal from Mexican TIF establishments bound for Hong Kong.

Likewise, officials from the People's Republic of China General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) evaluated the Mexican TIF system and signed a protocol for the export of beef from Mexico. In parallel, Mexico is now in the negotiation process to open exports to Chile.

It was noted that the actual opening of markets is a joint effort between the Government and Mexican producers to raise recognition of the health status which has paid off with international authorities.

Author Defined:

FAS/Mexico Web Site: We are available at www.mexico-usda.com.mx or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

Other Relevant Reports Submitted by FAS/Mexico:

Report	Subject	Date
Number		Submitted
MX3077	Cattle Herd Repopulation Plan	10/30/2013
MX3076	Dairy and Products Annual	10/28/2013
MX3062	Livestock and Products Annual	8/15/2013
MX3051	Porcine Epidemic Diarrhea Disease	6/26/2013
MX3048	Newly Authorized Meat and Poultry Exporters to Mexico	6/20/2013
MX3047	Educational Sessions for Meat and Poultry Trade Exporters to Mexico	6/20/2013
MX3043	Pork Price and Trade Snapshot	5/30/2013
MX3026	Broiler Meat Production and Trade Update	3/22/2013
MX3016	Livestock Semi-Annual: Pork Sector Promising	3/4/2013
MX3011	Poultry Semi-Annual – First \$1 Billion Poultry Market for American Exporters	2/13/2013

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.